

Congress of the United States

Washington, DC 20515

September 22, 2005

President George W. Bush
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

We are writing to express our severe concerns with your decision to issue a presidential proclamation suspending indefinitely the application of the Davis-Bacon Act in areas along the Gulf Coast devastated by Hurricane Katrina. We respectfully urge you to immediately provide a date certain for the termination of the proclamation suspending Davis-Bacon of no later than November 8, 2005. Such an action on your part will help prevent potential legislative action by the Congress, and help restore federal procurement stability in the reconstruction effort.

We stand ready to work with you to help rebuild the Gulf Coast and agree with you that it needs to be done in a fiscally responsible manner. However, we disagree with your assertion that Davis-Bacon prevailing wages would somehow undermine that effort. Numerous studies demonstrate that there are a wide variety of factors which affect the cost of construction projects. Labor costs often account for less than one-third of total construction costs; the cost of land and materials often have a much more direct impact on overall project costs. These studies further show that prevailing wages attract workers with more experience and training, who are more productive than less skilled, lower paid workers. This increased productivity results in completion of construction projects in less time, lowering overall costs. It has also been shown time and again that projects built by less skilled employees drive up the costs associated with long-term maintenance, repair and reconstruction.

Since its enactment in 1931, the Davis-Bacon Act has provided stability and a level playing field in the construction industry for all contractors – union as well as non-union – and an important minimum standard of compensation for workers. Davis-Bacon wages, which reflect local prevailing compensation, also include benefits which help workers, particularly on hazardous jobsites similar to those in the hurricane zone, to have healthcare and pensions. Prevailing wages are also a key component of labor-management sponsored training programs, teaching apprentices skills and paying them while they are learning. These programs provide important opportunities to all workers for a fair wage and career advancement in the construction industry. It is widely acknowledged that these joint labor-management training programs, as supported by Davis-Bacon prevailing wage requirements, provide practical ways to impart lifetime skills to construction industry employees.

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Davis-Bacon prevailing wages will not drive up the reconstruction costs in the Gulf region; rather they will help ensure quality work and fair wages for those impacted by the storm. We respect your statutory prerogative to suspend application of Davis-Bacon in times of a national emergency. However, we also feel strongly that an indefinite suspension is fundamentally unfair to Gulf Coast construction workers.

Thank you for your consideration of our request.

Sincerely,

John A. Lando

Ed Ianni

Mike Ferguson

John F. IL-19

John Shoney

Tim Murphy

Tom Gell

Tom Simmons

Candice S. Miller

Pharmacy

I. W. Lee

Nancy Johnson

L. Weldon

John Emerson

Edo Smith

J. W. White

Shirley Boehm

Thelma H. H.

Don Young

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Michael R. Jones

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Phil English

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Rodney Alexander

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